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SUBJECT: PREVIEW OF MUNICIPAL ELECTIONS IN SLOVAKIA:

DECEMBER 2, 2006

SUMMARY

11. (SBU) Slovakia's nation-wide municipal elections have traditionally reflected local issues and political alliances. Ruling parties and opposition parties on ocassion ally to back the same candidate. However, observers expect that PM Robert Fico's record high popularity may have an impact locally, at least in some parts of the country, giving a boost to Smer candidates. These will be the first local elections since fiscal decentralization gave greater power of the purse to local mayors as of January 2005. Emboffs will be traveling the country over the next few weeks to elicit views on the December 2 elections. We have started with a trip to eastern Slovakia, where locals are concerned about jobs, transportation, and a public swimming pool. Further election highlights will follow. End Summary

LEGAL FRAMEWORK

- 12. (U) In the December 2 local elections, 138 cities, 39 subsections of large cities, and 2880 municipalities (small towns and villages) will elect mayors and city council members to a four-year term of office. The number of city/town council members varies by population, from 80 in Bratislava to three members for villages with under 40 residents. To vote, a person must have permanent residency in the constituent area and be at least 18 years of age. Candidates for city/town council must meet the same criteria as for voting, whereas mayoral candidates must be at least 25 years old. Foreigners with permanent residency in the constituent area have the same rights to vote and run for elected office as Slovak citizens.
- 13. (U) Campaigning formally begins a mere 17 days before the elections and must stop 48 hours before elections. The candidate who receives the largest number of votes is elected; there are no run-offs. Political parties and independents submit their candidacy 55 days before the election. No special voter registration process is required since municipalities maintain lists of their permanent residents. Separate polling stations are set-up per each 1000 voters. National poll results are maintained by a central electoral commission, staffed by representatives from all political parties which are active in one-fifth of the districts nationwide. Polls are open from 7am to 6pm on election day.

SHOW ME THE MONEY

14. (U) Since the decentralization of local governments in 2005, numerous responsibilities and tax revenues which belonged to the central government were transferred to municipalities and regions, notably in the areas of education, social policy, culture, health care, and road maintenance. Fiscal decentralization strengthened the authority of municipal and regional governments in the

collection and allocation of income taxes, property taxes, road taxes, etc. Municipalities also now have the right to implement other taxes, such as a hotel tax and a dog tax. Fiscal decentralization has led to greater mayoral authority.

15. (U) In the 2006 budget, 93.8 percent of income tax revenue goes directly into municipal and regional budgets. Previously, the income went to the national level coffers before it was distributed back to local hands. According to the 2006 budget, local governments expect an aggregate revenue of SKK 84 billion (USD 2.9 billion), of which 45 percent is from income tax collection, 17 percent from non-tax revenue, six percent debt financing, and 28 percent in the form of grants and subsidies from the national budget.

RELATIONSHIP TO NATIONAL COALITION

 $\underline{\P}6.$ (SBU) Traditionally, municipal elections in Slovakia have reflected local issues and personalities without being significantly influenced by national politics. This time, in light of the record high popularity of PM Robert Fico and his Smer party, candidates and observers believe national politics may influence voters. Looking at it from the other direction, the election of Smer mayors across the country would help consolidate Fico/Smer's authority and give him/the party even more momentum. The other coalition partners hope to gain from the local elections, too. One village mayor from KDH said that SNS and HZDS are making an extra effort to get their party members into as many mayoral spots as possible to validate their position as coalition members at the national levl. Though independent mayoral candidates are not uncommon, the party structure remains an influential feature of local politics. Particularly in larger towns and cities, voters often cast their ballots based on the party affiliation of a candidate, rather than his/her individual

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positions or personality. In the past, local political coalitions have been known to differ substantially from national coalitions. There are less of them this time around; more often they mirror the national political scene.

THE EAST: KOSICE AND PRESOV

17. (SBU) In Kosice, Slovakia's second largest city with a population around 250,000, major issues cited are employment, transportation, and the infrastructure necessary to support the World Hockey Championships in 2011. The current mayor comes from the conservative Christian Democratic Movement (KDH), which sits in the opposition in parliament. Frantisek Knapik, elected less than a year ago in an extraordinary vote when the previous Smer mayor became the regional governor, claims as his primary success a re-structuring of the city's debt, having negotiated better terms with creditors so more of city's budget can go to the city itself rather than interest payments. Boris Farkasovsky, a Smer candidate with a communist background who is supported by all three parties in the governing coalition, promises more investment in Kosice based on his good connections with the Prime Minister's party. Knapik considers the situation of the Roma an important issue and has instituted a program to give part-time jobs to Roma who are indebted to the city housing authority, although participation is lower than he had hoped. Farkasovsky does not see the need for special programs to help Roma since unemployment is high across all ethnic groups. Farkasovsky quoted a poll that indicates his chances of winning improve with greater turnout. However, voter turnout is generally low in municipal elections. Though probably more than the nineteen percent of eligible voters who cast their ballots in the last extraordinary election will come to the polls in December, the race will likely be close. NGOs predict around 40 percent voter turnout.

(SBU) The next largest city in eastern Slovakia is Presov, with a population about 90,000. Major issues there include employment, transportation - the city is hoping that a major

European north-south or east-west highway will run through it, building a municipal swimming facility, and keeping a nearby military base. The four leading candidates, two of whom are nominees of national coalition and opposition party alignments, are friendly, established politicians with only slightly differing viewpoints. In the past in Presov, voting has been along party lines as opposed to individual personality or message of candidates. The candidates expect that, even in this conservative area, Fico and Smer's popularity could influence the polls to the left this time. Candidates felt that it was not worth the effort to campaign to the Roma population (around 1-3 percent within city limits) and they showed no particular concern for Roma issues. They believed that Roma would vote for whomever approached them last. Roma vote buying, they explained, was only effective in smaller towns. Presov has one independent Romani candidate for city council.

SILVERMAN